



THE SENATE

LANSING, MICHIGAN

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Emergency financial managers would need Senate review under bipartisan legislation approved by Senate panel

LANSING – The governor would have to seek Senate confirmation when appointing emergency-financial managers under bipartisan legislation approved today that would ensure high-quality gubernatorial appointments.

The Senate Local, Urban and State Affairs Committee approved Senate Bill 461, which would make the appointments of financial managers subject to Senate advice and consent like other gubernatorial appointments. SB 461 is sponsored by Sen. Mike Bishop, R-Rochester.

“My concern is about the accountability of government officials,” Bishop said. “We want to make sure that when these managers are appointed, we do it right and do it in a way that helps the people of that community.”

Sen. Laura Toy, R-Livonia, who chairs the Local, Urban and State Affairs Committee, said the legislation would involved local lawmakers in the appointment process to make certain the best possible person is chosen to oversee a community during such a critical time. Like other senators at the hearing, she noted the particular case of Highland Park, whose government operations are now overseen by a financial manager.

“We had a person in place who was doing a good job and positive changes were beginning to happen for the residents of Highland Park,” Toy said. “Unfortunately, things didn’t stay that way.”

In Highland Park, the appointment of a new financial manager by Gov. Granholm has drawn widespread criticism. As The Detroit News editorialized on the appointment, the new manager “is a voracious wolf whom Granholm has plopped down in the middle of the hen-house.” The new manager, who lacks significant financial experience replaced someone who was a Certified Public Accountant.

Under Bishop’s legislation, the local emergency financial assistance loan board would submit to the governor the names of at least three nominees for the position. From that list, the governor would appoint — with the advice and consent of the Senate — an emergency financial manager for the municipality for up to a year. That appointment can be renewed.

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